

## Message Text

CONFIDENTIAL

PAGE 01 BANGKO 02206 100027Z

60

ACTION EA-14

INFO OCT-01 ISO-00 AGR-20 L-03 H-03 PA-04 PRS-01 USIA-15

CIAE-00 INR-10 NSAE-00 RSC-01 OMB-01 TRSE-00 COME-00

STR-08 CEA-02 SPC-03 SAM-01 DODE-00 DRC-01 /088 W

----- 116491

R 090655Z FEB 74

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 469

C O N F I D E N T I A L BANGKOK 2206

EO 11652: GDS

TAGS: ETRD, EAGR

SUBJECT: SUGAR QUOTA HEARINGS

REF: A. STATE 022675 B. BANGKOK 20013 C. BANGKOK 2070

1. THAI PRESSURE FOR INCREASED US SUGAR QUOTA IS INTENSIFYING. PM SANYA USED OCCASION OF ASSISTANT SECRETARY INGERSOLL'S COURTESY CALL TO REQUEST USG SUPPORT FOR A SUGAR QUOTA OF 100,000 TONS FOR THAILAND, AS REPORTED IN REFTEL C.

2. LOCAL AMCHAM HAS ALSO SENT AMBASSADOR COPIES OF LETTERS WRITTEN TO CONGRESSMAN POAGE, PRICE, MIZEL, JONES MAYNE, MATHIAS, ROSE, GARZA. MAIN ARGUEMENT FOR A SUGAR QUOTA INCREASE TO 40,000 TONS ADVANCED IN THESE LETTERS IS THE DISPARITY IN THE THAI-US TRADE BALANCE IN FAVOR OF THE US, THE SMALLNESS OF THE THAI QUOTA (UNDER 20,000 TONS), AND THE DIRECT BENEFIT IN A FORM PREFERRED TO AID THAT AN INCREASE CAN PROVIDE TO THE MANY SMALL THAI FARMERS WHO CONSITITUTE THE GREAT BULK OF THE SUGAR PRODUCERS.

3. SUBSTANCE OF REFTEL A) CONVEYED ORALLY AND ON URGENT BASIS TO DR. SNOH UNAKUL, DEPUTY UNDERSECRETARY, MINISTRY OF COMMERCE, AS THE POLICY LEVEL OFFICIAL DIRECTLY CONCERNED WITH THIS MATTER AND ALSO AS SOURCE OF PREVIOUS REQUESTS TO EMBASSY OFFICERS FOR A LARGER SUGAR QUOTA  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BANGKO 02206 100027Z

FOR THAILAND REPORTED IN REFTEL B).

4. EMBASSY BELIEVES THAILAND HAS A STRONG CASE FOR A QUOTA INCREASE, AND URGES STATE TO USE INFLUENCE IN THIS DIRECTION DURING PRO CES OF FORMULATING ADMINISTRATION RECOMMENDATIONS ON THIS SUBJECT (PARA. 3 OF REFTEL A). IN ADDITION TO THE ECONOMIC ARGUMENTS ADVANCED BY THE AMCHAM (TRADE IMBALANCE IN US FAVOR), AND BY THE RTG (QUOTA IS NEAR BOTTOM OF SUGAR SUPPLIER COUNTRIES DESPITE THE RAPID GROWTH OF THE THAI INDUSTRY TO A CURRENT ANNUAL OUTPUT OF 915,000 TONS). EMBASSY VIEWS ALSO INFLUENCED BY INTER-RELATED POLITICAL AND SECURITY CONSIDERATIONS. A HEALTHY ECONOMY IS THE ESSENTIAL UNDERPINNING FOR THAILAND'S ABILITY TO DEAL EFFECTIVELY WITH BOTH EXTERNAL AND INTERNAL THREATS TO ITS SECURITY, AND DEPENDABLE EXPORT MARKETS ARE VITAL REQUIREMENT FOR THAILAND'S ECONOMIC DEVELOPMENT. MOREOVER, NIXON DOCTRINE ENCOURAGES MAXIUM DEVELOPMENT OF SELF-HELP CAPABILITY AS A PRE-CONDITION FOR US SUPPORT.

5. DURING THIS CURRENT PERIOD OF RENEWED NATIONALISTIC ASSERTIONS AND DEMANDS FOR INCREASED ECONOMIC AS WELL AS POLITICAL INDEPENDENCE, IMPROVEDTRADE OPPORTUNITIES ARE MORE APPRECIATED THAN ADDITIONAL AID. "TRADE RATHER THAN AID" WAS THEME OF PM'S PRESENTATION OF RTG VIEWS DURING MEETING WITH ASSISTANT SECRETARY INGERSOLL, AND WAS EVEN MORE PRECISELY ASSERTED MUCH EARLIER IN 1974 BY DR. SNOH DURING MEETING WITH EMBASSY OFFICERS. GREAT-EST SHORT RANGE THREAT TO INTERIM SANYA GOVERNMENT, AND TO FLEDGLING ELECTED GOVERNMENT THAT HOPEFULLY WILL FOLLOW IT, IS A FAILING ECONOMY. BELIEVE SUBSTANTIALLY ENLARGED SUGAR QUOTA WOULD PROVIDE DESIRED ELEMENT TO THE SUGAR INDUSTRY OF INCREASED CERTAINTY AS WELL AS PROVIDE TANGIBLE ILLUSTRATION OF US SYMPATHY FOR THAILAND DURING ITS CURRENT GROPING FOR A WORKABLE DEGREE OF PARTICIPATROY DEMOCRACY.

6. ACTION REQUESTED: AGAINST BACKGROUND SKETCHED ABOVE, EMBASSY STRONGLY URGES THAT STRONGEST CASE POSSIBLE BE MADE BEFORE HOUSE AGRICULTURE COMMITTEE FOR INCREASE IN THAI SUGAR QUOTA TO 100,000 TONS.

KINTNER  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BANGKO 02206 100027Z

CONFIDENTIAL

NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUGAR, IMPORTS, EXPORTS, LAW, US CONGRESSIONAL PRESENTATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BANGKO02206  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
**From:** BANGKOK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740244/aaaabowu.tel  
**Line Count:** 107  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** A. STATE 022675 B. BANGKOK 20013 C., BANGKOK 2070  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12-Aug-2002 by kelleyw0>; APPROVED <17 DEC 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SUGAR QUOTA HEARINGS  
**TAGS:** ETRD, EAGR, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005